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RUEHBI/AMCONSUL MUMBAI PRIORITY 5449
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C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 000882

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DEPARTMENT FOR SCA/INS AND PM
MCC FOR D NASSIRY AND E BURKE

E.O. 12958: DECL: 06/20/2017
TAGS: [PGOV](#) [PREL](#) [PTER](#) [PHUM](#) [MOPS](#) [CE](#)
SUBJECT: SRI LANKA GOVERNMENT CREATES HIGH SECURITY ZONE
NEAR TRINCOMALEE

Classified By: Ambassador Robert O. Blake, Jr., for reasons 1.4(b,d).

1. (C) SUMMARY: On June 18 media outlets reported that the Government of Sri Lanka has designated Sampur and Muttur in the Trincomalee district as a High Security Zone (HSZ) by formal "gazette notification." Some NGOs expressed concern that the move could prevent thousands of Tamils, displaced by fighting between the Liberation Tigers of Tamil Eelam (LTTE) and the Sri Lanka Army, from returning to their homes. However, Defense Secretary Gothabaya Rajapaksa told Ambassador on June 19 that only a small portion of the land designated in the GSL's notification would actually be militarily restricted. The remaining portion of the land would be administered in a manner similar to Colombo, and Tamil citizens would be allowed to return to their homes in those areas. The GSL has defended the designation as necessary both for the safety of the residents and to secure economic infrastructure that it plans to develop there. However, Trincomalee Tamil National Alliance (TNA) Parliamentarian R. Sampanthan has alleged that the move is part of an ongoing attempt to change the demographics of Trincomalee by resettling ethnically Sinhalese Sri Lankans in traditionally Tamil areas. By doing so, Sampanthan alleges, the GSL will be better able to control the East. The Embassy, UNHCR and other donors will monitor the resettlement process closely to ensure that original inhabitants are allowed to return to their villages, or receive fair compensation. END SUMMARY.

CREATION OF A HIGH SECURITY ZONE
AND A SPECIAL ECONOMIC ZONE

2. (SBU) On May 30, the GSL published a gazette notification signed by President Rajapaksa designating large sections of Sampur and Muttur in Trincomalee district as High Security Zones. The designation includes Foul Point,

Illankanthai, Uppural, Thoppur, Kattaiparichchan and Muttur as restricted areas that can only be inhabited with written permission from the Competent Authority. Currently, the Competent Authority in Trincomalee is Sinhalese Government Agent Major General Parakrama Pannipitiya, whom critics have alleged is implementing ethnically biased policies. Violation of the resettlement restrictions posted in the gazette carry potential penalties ranging from three months to five years imprisonment and fines of not less than the equivalent of approximately 5,000 U.S. dollars.

13. (C) Several months prior to the formal creation of the HSZ, the GSL announced plans to create a Special Economic Zone in Sampur and Muttur to attract foreign investment. One of the projects publicized by the GSL involves the construction of a coal-fired power plant to be built and financed by India. However, press reports indicate that India has postponed the project while the GSL sorts out how to handle relocation of the area's original residents. The Indian Deputy High Commissioner told DCM June 20 that India insisted, over GSL objections, on removing specific reference to Sampur in the memorandum of understanding for the project that both governments signed. The GOI did so, he said, due to concerns about GSL plans to resettle Tamils away from Sampur and the implications these plans would have for obtaining international financing for the project. The GOI is prepared to build the plant in Trincomalee, but the GSL does not concur with this location for the plant. Nevertheless, during the Ambassador's meeting with Defense Secretary Gothabaya Rajapaksa on June 19, Rajapaksa said that

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the GSL still hopes to attract Indian investment in the power plant as well as to foster eco-tourism and other economic

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development in the area. Numerous media sources have published reports that the GSL is also courting Chinese investors to take over the project if India backs out.

GSL DEFENDS CREATION OF HSZ IN TRINCOMALEE

14. (C) In response to Ambassador's concerns about resettlement of Sinhalese citizens in traditionally Tamil areas, the Defense Secretary assured Ambassador that only a small strip on the northern edge of the harbor touching the approach into Trincomalee would be a true military-only HSZ. Rajapaksa stated the rest would be open to investment and would be designated a HSZ in the sense of what now exists in Colombo. The original residents displaced by the small strip designated as a military-only HSZ, which Rajapaksa said were few in number, would be allowed to resettle in other parts of Trincomalee. Ambassador encouraged Rajapaksa to work towards minimizing the negative impact on internally displaced persons (IDPs) and allow the original inhabitants to return to their villages, regardless of ethnicity.

15. (SBU) Unlike the Defense Secretary's private assessment for Ambassador, Defense Spokesman Keheliya Rambukwella's public characterization of the HSZ did not define it as anything smaller than the parameters published in the gazette. In response to critics' allegations of ethnic cleansing, Rambukwella asserted: "Economic development schemes sometimes require the resettlement of populations. Earlier, the Mahaweli irrigation scheme in South Sri Lanka had displaced thousands, but no one objected to that."

TAMIL LEADERS REJECT GSL JUSTIFICATION FOR HSZ

16. (SBU) Tamil leaders allege that Minister Rambukwella's reference to the Mahaweli Irrigation project is a painful example that actually supports their claim that displacing Tamils from Sampur and Muttur is "ethnic cleansing." The Sinhalese people displaced by the Mahaweli Irrigation project

between 1977 and 1989 were resettled in traditionally Tamil areas, over the strenuous objections of Tamil leaders at the time. Critics allege that the Sampur and Muttur HSZ is even more egregious than Mahaweli. They claim the GSL will not allow Tamils to live in certain areas, and that it is resettling Sinhalese into previously Tamil neighborhoods.

¶7. (SBU) Tamil National Alliance Parliamentarian for the Trincomalee district R. Sampanthan argued that unlike the hundreds of thousands of state-owned acres used for the majority of the Mahaweli Irrigation project, virtually all of the land in the HSZ is privately owned by Tamil citizens. The GSL has not made any offer of compensation for the land, and Sampanthan stated that various civic groups were preparing legal challenges to the HSZ.

¶8. (SBU) Sampanthan alleged that the GSL is attempting to alter the demographics of voters in Trincomalee to ensure that Sinhalese citizens will have control over local governance. He also charged that the GSL is seeking to ensure electoral victory on controversial issues that divide Sinhalese and Tamil citizens. One of these issues concerns the Sri Lanka Supreme Court's 2006 decision to strike down as unconstitutional the merger of the North and East into a single geographic region. Tamils fear that dividing the North and East into separate voting blocks, coupled with the GSL efforts to restructure the demographic populations of key metropolitan areas like Trincomalee, could alter the voting balance in the East to such an extent that Tamils would lose

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seats in Parliament and have even less political control than they currently do, especially if no devolution proposal is passed. Minister Rambukwella and other government officials have strongly denied any attempt to gerrymander the North and East in favor of Sinhalese voters.

HUMANITARIAN GROUPS EXPRESSED CONCERNS ABOUT HSZ

¶9. (C) On June 20, Poloff spoke with United Nations High Commissioner for Refugees (UNHCR) Sri Lanka Senior Protection Officer Elizabeth Tan who said that she understands the need to secure Trincomalee harbor but has concerns over the GSL's implementation of its plan. Tan described the HSZ as an "alarmingly large area," and said that she had not heard of plans to restrict its size into a military-only HSZ and a Colombo-like HSZ. Tan stated that UNHCR has asked the GSL for statistics on the number of families that will be affected by the creation of the HSZ but has not yet received the data from the Government.

¶10. (C) Tan also cast doubt on TNA MP Sampanthan's allegation that Sinhalese citizens would be moved into previously Tamil neighborhoods, stating that UNHCR has not seen any evidence of this. Instead, Tan stated, the primary concern was that the creation of an HSZ affected only Tamil communities and that the GSL has not proposed any compensation for the land seized to create it. Tan said that the UNHCR is considering helping Tamil citizens with legal petitions to obtain compensation for their property. She also expressed concerns over the GSL's plans to resettle some Tamils from the HSZ into other areas, stating that care must be given to ensure that resettlement efforts put Tamil families in areas where they can legitimately start a new life rather than being placed in long-term refugee camps with no real economic opportunities. Recent efforts in Trincomalee and Batticaloa to relocate Tamil IDPs into predominantly Sinhalese and Muslim neighborhoods have resulted in a spike in "security incidents," Tan said, causing Tamils from Sampur and Muttur be "extremely insecure" about the HSZ.

¶11. (C) David Verboom, head of the European Commission Humanitarian Aid office in Colombo, told the Ambassador on June 20 that local authorities say the HSZ area is

"relatively big" and has displaced 14,254 people. According to Verboom, 5,000 of these IDPs are in transit camps in Seruvila and the rest are in Batticaloa. Verboom commented that there seems to be a lack of communication between the civil and military authorities involved.

¶12. (C) COMMENT: The GSL is anxious to showcase the East as a model of ethnic harmony and to demonstrate that the Tamil community will prosper under its leadership now that all but a few remaining pockets of LTTE have been defeated. This includes the GSL's objective to return IDPs to their homes. However, the Government also hopes to capitalize on the opportunity to restructure Sampur and Muttur in a way that will eliminate the reoccurrence of LTTE influence and lead to greater economic development of Trincomalee harbor. Both goals are admirable, but at least some Tamil citizens seem trapped between these two objectives. Embassy will continue to encourage the GSL to work towards implementing the least restrictive, ethnically neutral plan that accomplishes the GSL's goals.

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